



**STATE OF NEW JERSEY**

*Board of Public Utilities*

*Two Gateway Center*

*Newark, NJ 07102*

*[www.bpu.state.nj.us](http://www.bpu.state.nj.us)*

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF REMI )  
RETAIL COMMUNICATIONS, LLC FOR )  
AUTHORITY TO PROVIDE COMPETITIVE LOCAL )  
EXCHANGE TELECOMMUNICATIONS SERVICES )  
THROUGHOUT THE STATE OF NEW JERSEY )

ORDER

DOCKET NO. TE04060401

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., and by letter dated May 28, 2004, Remi Retail Communications, LLC ("Petitioner" or "Remi") filed a Petition with the Board of Public Utilities ("Board") requesting authority to provide competitive local exchange telecommunications services throughout the State of New Jersey. Petitioner requests confidential treatment of the financial information in Exhibit F of its Petition. Pursuant to the Open Public Records Act, N.J.S.A. 47: A-1 et seq., the Petitioner has submitted its financial information under seal and has included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of proprietary information.

Remi was incorporated under the laws of the State of Delaware on October 31, 2001. Petitioner's principal offices are located at 138 South Main Street, Greensburg, PA 15601.

Petitioner submitted copies of its Articles of Incorporation, Delaware Certificate of Good Standing and its New Jersey Certificate of Authority to operate as a Foreign Corporation. According to the Petition, Petitioner seeks authority to provide local exchange telecommunications services to both business and residential customers on a resale and facilities-basis including, but not limited to, local exchange and interexchange voice services integrated with data and internet services. Petitioner states that product offerings will consist of telecommunications services marketed to the residential, multi-line business and high-capacity market segments, and will include exchange service, long distance service, custom calling and enhanced service features. Petitioner also seeks statewide authority to operate in all areas as a competitive local exchange carrier.

Petitioner states that it is authorized to provide local and interexchange services in Pennsylvania. Petitioner further states that it has not been denied authority to provide telecommunications services in any state nor have there been any civil or criminal proceedings against Petitioner in any jurisdiction.

Petitioner states that it has no plans to construct an outside plant or loop distribution equipment at the current time. Petitioner intends to fully leverage the advantages of the Unbundled Network Element Platform ("UNE-P"), which will create an environment in which the Petitioner can gain customers and begin to build market share immediately. Petitioner further states that the Unbundled Local Switching ("ULS") element will serve as a stepping stone to Petitioner's deployment of its own switching facilities once it has the ability to deliver large quantities of traffic over these facilities, thereby justifying the fixed cost investment. Petitioner does not intend to utilize a billing agent in issuing bills for services rendered to end users as it will bill all of its customers directly. Petitioner also states that it will not use a "billing clearinghouse" or other outside entities to issue bills to its customers. All bills sent to end-user customers will bear the Petitioner's name and provide a toll-free number for customer inquiries and complaints. Petitioner states that it recognizes that in today's market, customer service is the cornerstone of a successful telecommunications business strategy. For this reason, Petitioner intends to provide its customers with one-call resolution capability. Petitioner also states that its customer service representatives (CSRs) ensure a single point of contact for customers. Moreover, they are accountable for resolving any customer issues that may arise, including service delivery, credit issues, network repair or billing. In addition, the CSRs have direct access to the Petitioner's provisioning, credit analysis and billing support groups, ensuring ready availability of those personnel with the expertise to solve the most common customer service issues. Petitioner states that it is committed to providing its customers with seamlessly integrated customer service around the clock. For immediate personal assistance, customers may call 1-800-510-REMI or 1-800-510-7364. Petitioner's registered agent's office is: The Corporation Trust Company, 820 Bear Tavern Road, West Trenton, New Jersey 08628.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3 and N.J.A.C. 14:10 -1.16, which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices at 138 South Main Street, Greensburg, Pennsylvania 15601. Petitioner states, upon written notice from the Board, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that expedited approval of its Petition will augment the competitive telecommunications services which it can offer to all New Jersey customers, including an enhanced range of telecommunications services and an increase in consumer choices. Petitioner states approval of Petition will serve the public interest.

Petitioner states that as evident from the information contained in Exhibit E, Remi is managed by persons with substantial technical expertise in designing, constructing and operating telecommunications networks. Petitioner states that this wealth of expertise will enable Remi to provide telecommunications services to its local exchange customers using state-of-the-art technology. Petitioner also states that it has all qualified personnel, including individuals specializing in accounting, engineering and sales, to provide competitive local exchange services.

## DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner meets all other requirements, including, but not limited to, a demonstration of financial, technical, and managerial integrity.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to "provide diversity in the supply of telecommunications services" and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed Remi's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange telecommunications services throughout New Jersey subject to approval of its tariff and submission of pro forma financials for its New Jersey operations. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60, and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and the Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner will not be able to provide telecommunications services until a tariff is approved by the Board and the required financial statements have been provided.

The Board HEREBY ORDERS that:

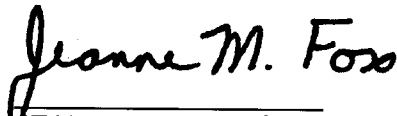
- 1) Petitioner file its tariff for Board approval.
- 2) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- 3) Pursuant to N.J.S.A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 the following year.


On or before February 1<sup>st</sup> of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the company's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records under the USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board its books and records upon 48 hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in New Jersey and under the USOA.

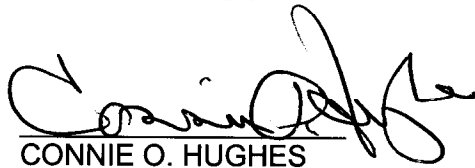
DATED: 8/19/04


BOARD OF PUBLIC UTILITIES  
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ATTEST:

  
KRISTI IZZO  
SECRETARY

IN THE MATTER OF THE PETITION FOR AN ORDER AUTHORIZING  
REMI RETAIL COMMUNICATIONS, LLC TO PROVIDE COMPETITIVE  
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES  
THROUGHOUT THE STATE OF NEW JERSEY  
DOCKET NO. TE04060401

**SERVICE LIST**

<b>Serial No.</b>	<b><u>Name and Address</u></b>	<b>Serial No.</b>	<b><u>Name and Address</u></b>
<b>1</b>	<b>Petitioner's Contact Person:</b> David J. Malfara, Sr. President and CEO 138 South Main Street Greensburg, PA 15601	<b>4</b>	<b>Board's Staff:</b> Walter Szymanski, Director Division of Audits Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
<b>2</b>	<b>Petitioner's Attorney:</b> Charles Gormally, Esq. Wolf Block Schorr & Solis-Cohen, LLC 101 Eisenhower Parkway Roseland, New Jersey 07068	<b>5</b>	<b>Board's Staff:</b> Anthony Centrella, Director Division of Telecommunications Board of Public Utilities Two Gateway Center Newark, New Jersey 07102
<b>3</b>	<b>Ratepayer Advocate:</b> Seema M. Singh, Esq. Acting Director and Ratepayer Advocate Division of Ratepayer Advocate 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, New Jersey 07101	<b>6</b>	<b>Deputy Attorney General:</b> Alex Moreau Department of Law & Public Safety Division of Law 124 Halsey Street, 5 <sup>th</sup> floor P.O. Box 45029 Newark, New Jersey 07102